

CHAPTER 24: ANNEXATION POLICY

Annexation is a means of bringing unincorporated property into the corporate limits of a city. It is the best way for new areas and developments to receive municipal services, such as police and fire protection, garbage collection, water service, and sewer service. As a tool for growth management, annexation is used to establish more sensible jurisdictional boundaries, facilitate economic development, and foster coordinated land development.

BACKGROUND

The extraterritorial jurisdiction (ETJ) is an area of land located a certain distance beyond a city limit line that the city has authority to annex. To be annexed, the land must be contiguous to the city limit line unless the land is owned by the city. Chapter 43 of the Texas Local Government Code establishes provisions that define the size of the extraterritorial boundaries according to a city's population. The statutes allow a five-mile ETJ for cities in excess of 100,000 in population. Fort Worth's population exceeds 100,000 persons, therefore it has a five-mile ETJ. Cities with smaller populations have smaller ETJs.

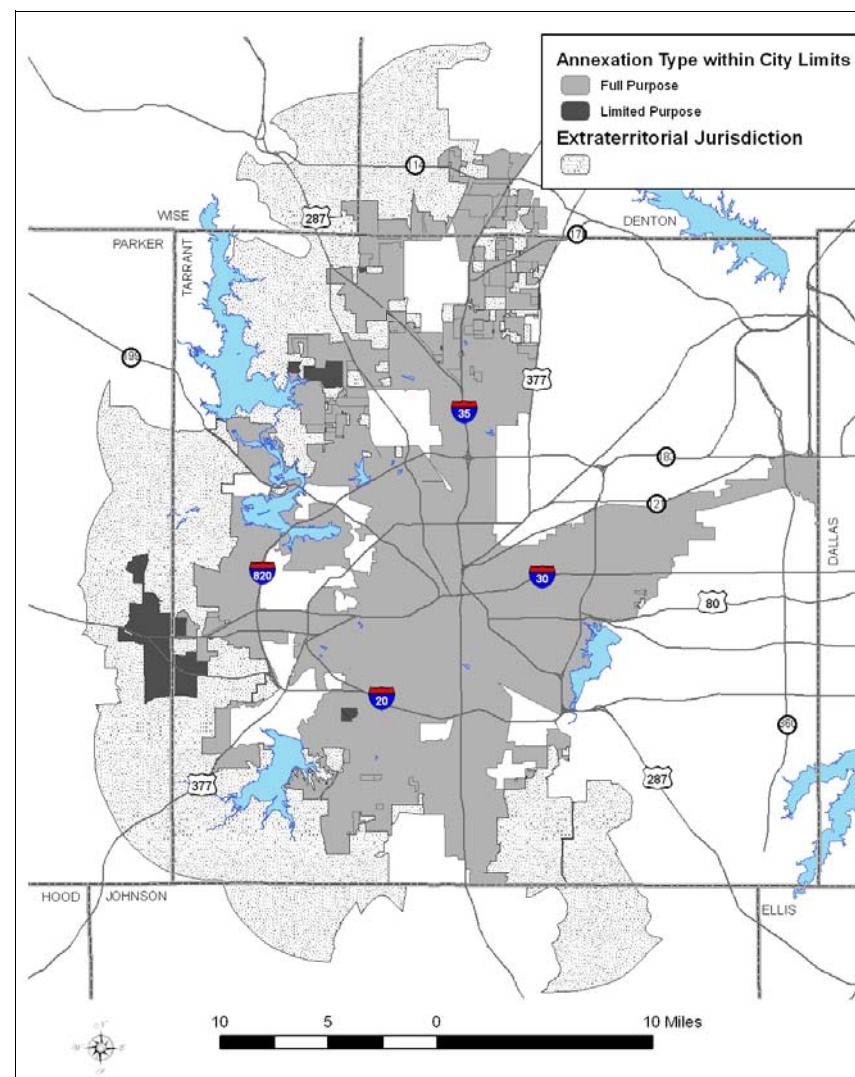
Annexation is a means by which cities can obtain the regulatory authority required for implementing a full range of development controls used for guiding future growth. The majority of Texas cities, including Fort Worth, are presently permitted to regulate the subdivision of land within the ETJ. House Bill (HB) 1445, which was approved by the Texas Legislature in 2001, requires that subdivisions be approved by one authority rather than by both the city and county. HB 1445 allows approval by a city, a county, a joint office of the city and county, or apportionment of the ETJ between the city and the county. The City has entered into agreements with Johnson, Wise, and Denton counties that allow the City to act on plats within Fort Worth's ETJ. The City is currently negotiating an agreement with Tarrant County, and Parker County has not agreed to give the City authorization to act on plats within its unincorporated area.

Impact of Annexation

As an instrument for growth management, annexation has a significant impact on two major development areas.

- **Economic Development:** As an economic development tool, annexation provides for the orderly provision of physical infrastructure and other services necessary to develop the tax base for the city, the region, and the State.
- **Land Development and Planning:** As a land development tool, annexation prevents the establishment of incompatible development patterns by extending land use and other regulatory controls intended to protect existing and future land uses. Annexation can be used to promote orderly development patterns and more efficient provision of public services and infrastructure.

**City Limits and
Extraterritorial Jurisdiction, November 2005**



The light gray shading on the map above shows Fort Worth's city limits, with the dark gray shading identifying limited-purpose annexation areas. The area shaded with dots is Fort Worth's ETJ, which can extend as far as five miles out. The current ETJ contains approximately 318 square miles of land. (Source: Planning Department, 2005.)

Implementation

As a Home Rule city, Fort Worth may, subject to the requirements of Chapter 43 of the Texas Local Government Code, implement annexations in one of two ways:

- **Property Owner-Initiated:** A process by which a majority of private property owners initiate annexation by petitioning the City to annex their property into its corporate limits. This is the most common form of annexation undertaken by the City of Fort Worth.
- **City-Initiated:** A process by which the City initiates annexation without a petition. This type of annexation occurs in situations where the affected property owners may not desire to initiate a petition. The City may initiate annexation to connect an area to an existing city limit boundary or to prevent actions that could be detrimental to orderly growth or have adverse impacts on the city.

History of Annexation Until 1986

Fort Worth has grown from an original town site of 4.2 square miles and a population of approximately 3,000 persons, to the present size of 358 square miles (November 2005) and a population of 618,600 (2005 estimate). The map to the right shows how Fort Worth has expanded in a concentric fashion since 1873.

Between 1930 and 1962, Fort Worth's growth was generated by the development of key employment centers such as General Dynamics (which later began operating as Lockheed Martin Tactical Aircraft Systems), Carswell Air Force Base and Fort Worth Quartermaster Depot. These facilities created a need for housing and associated infrastructure supplied by the City of Fort Worth.

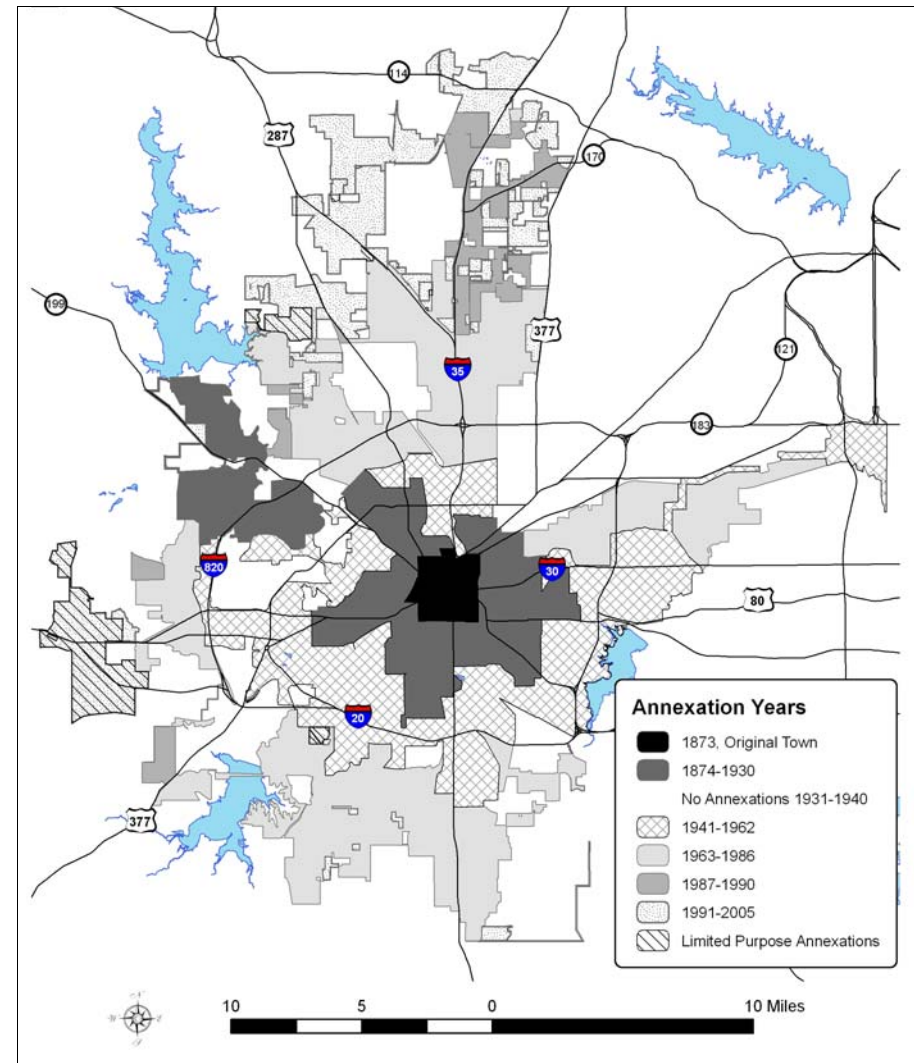
From 1963 through 1986, Fort Worth expanded in a more radial pattern primarily along transportation corridors such as I-30, I-35W, Loop 820, US 287, and SH 121. Major employment centers developed during the earlier years of this period, including the former Great Southwest International Airport, located south of SH 183 and east of US 360, and the Dallas/Fort Worth International Airport.

Annexation Activity Since 1986

Since 1986, major expansion has occurred northward along I-35W, which was primarily created by the development of Fort Worth Alliance Airport and its associated industrial park. Major activity centers located within this region include Fort Worth Alliance Airport, Texas Motor Speedway, the Burlington Northern Santa Fe Intermodal facility and rail yard, and the Alliance industrial parks.

In February 2002, the City Council began considering the annexation of developing areas that comply with criteria in the City's annexation policy. The City Council approved the annexation of approximately 9,000 acres in the Eagle Mountain Lake and U.S. Highway 287 areas for limited purposes in December 2002 and January 2003, respectively.

History of Annexation, 1874-2005



The map above shows land annexed since 1873. Fort Worth has grown from 4.2 square miles in 1873 to 358 square miles (343 square miles from full-purpose annexations and 15 square miles from limited-purpose annexations) as of November 2005. The original population was 3,000 persons. Fort Worth's 2005 population is 618,600. (Source: Planning Department, 2005.)

Under limited-purpose annexation, Fort Worth can enforce planning, zoning, and health and safety ordinances, but property owners do not have to pay City property taxes. The City does not provide police or fire protection, roadway maintenance, library services or other municipal services in areas annexed for limited purposes. Residents of limited-purpose annexed areas can vote in City Council and charter elections, but not bond elections, and cannot run for office. The City must annex an area for full purposes within three years after limited-purpose annexation, unless a majority of the affected landowners and the City agree to extend the deadline.

In October 2003, the City Council approved the annexation of over 7,000 acres located west of the current city limits for limited purposes. The City and property owners entered into an economic development agreement, which indicates that the property, known as Walsh Ranch, will be developed over a 40- to 50-year period. In addition, the City and property owners agreed to extend the three-year deadline for full-purpose annexation pending the development of the property.

From January 2000 through November 2005, there have been 77 annexations, consisting of 73 full-purpose and four limited-purpose annexations. In most cases, annexed property is designated as “AG” Agricultural until the property is rezoned in accordance with the current land use or the future land use as recommended in the Comprehensive Plan. 43 of the annexations were owner-initiated, and 34 were City-initiated.

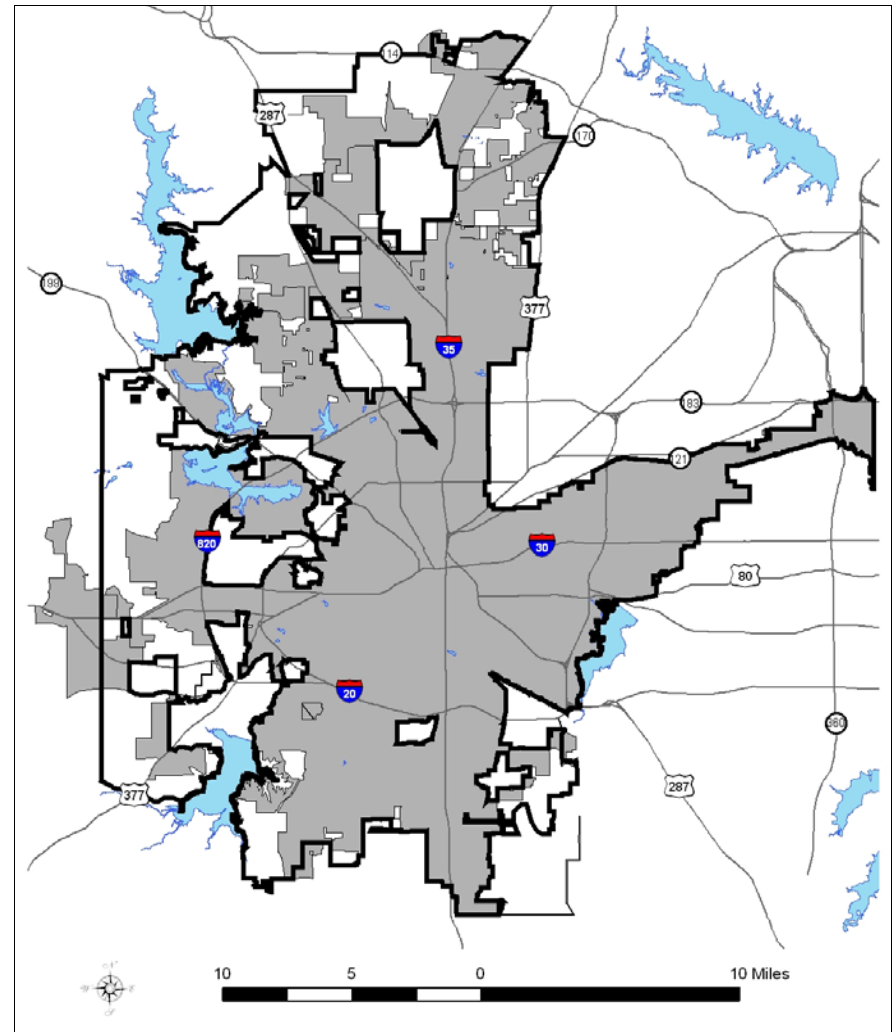
Fort Worth’s boundaries will continue to expand as new development unfolds along the city’s periphery. Such expansion will be fostered by the intensification of development within key growth centers such as Fort Worth Alliance Airport, Alliance Gateway industrial park, and Texas Motor Speedway. The area adjacent to Hulen/Cityview to the southwest is likely to expand as new land uses develop near this growth center. It is anticipated that more of Fort Worth’s ETJ will be considered for annexation in accordance with the City’s annexation policy and state law.

The provision of water service often plays a critical role in annexation decisions. The Texas Commission on Environmental Quality (TCEQ), formerly known as the Texas Natural Resource Conservation Commission (TNRCC) issues Certificates of Convenience and Necessity (CCN) for water services to a public or private organization that will provide exclusive water service to a defined area. The boundary of the CCN held by the City of Fort Worth includes the majority of the land area within the city limits of Fort Worth, approximately 40 percent of its ETJ and small areas beyond the ETJ. If a potential customer is located within an area for which the City of Fort Worth holds the CCN, the City must either provide water service if requested or decertify the area requesting service.

Annexation Plan, Annexation Policy and Annexation Program

State law requires cities to identify areas with 100 or more separate lots or tracts of land with residential dwellings that the city intends to annex for full purposes

Boundary of Certificate of Convenience and Necessity Area, February 15, 2002



The City of Fort Worth holds the Certificate of Convenience and Necessity for the majority of the land area within its city limits and ETJ. The Texas Natural Resource Conservation Commission granted approval of the boundary shown above on February 15, 2002. (Source: Water Department, 2002.)

in the City's annexation plan. The City may annex the area for full purposes beginning on the third anniversary of including the area in the annexation plan. On December 14, 1999, the City Council adopted an Annexation Plan, which stated, "at this time the City does not intend to annex any territory that is required to be in the annexation plan..." The resolution adopting the Annexation Plan and a summary of amendment activity can be found in Appendix G.

In response to a request by the City Council, an interdepartmental working group and a Mayor-appointed advisory committee assessed the extent to which the annexation policy that was adopted in 1999 effectively furthered the strategic goals in the Comprehensive Plan, and made recommendations for amending the policy and formulating a multi-year annexation program.

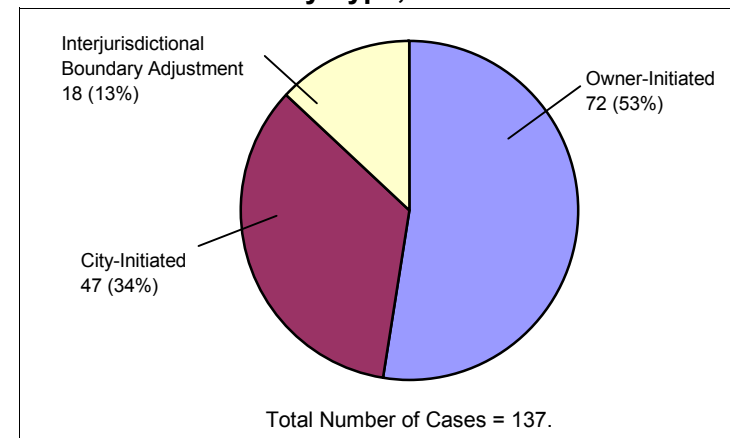
The advisory committee and City staff presented drafts of the annexation policy to the City Council, its committees and appointed commissions; held briefings with various community organizations; solicited comments from pertinent county governments; and held a public forum to seek additional public comments. The City Plan Commission held a public hearing and voted to endorse the recommended policy. The City Council also conducted public hearings to receive citizen comments, and adopted the annexation policy on September 7, 2004. This policy replaced the 1999 annexation policy and can be found in Appendix G.

The annexation policy includes sections on: annexation criteria and procedures, disannexation, preparation of fiscal impact analysis, five-year annexation program, three-year annexation plan, and external communication. The policy:

- Provides specific and objective criteria to the City Council for making annexation decisions;
- Provides for preparation of a five-year annexation program that identifies areas the City wishes to consider for annexation;
- Provides the City and affected property owners, through the annexation program, with an appropriate transition period by delaying certain City-initiated annexations for three or more years; and
- Improves external communication by holding additional public information meetings and soliciting comments from affected property owners, existing city residents and pertinent local government agencies prior to initiating formal annexation hearings.
- Gives protesting property owners the opportunity to participate in negotiations related to the provision of municipal services.

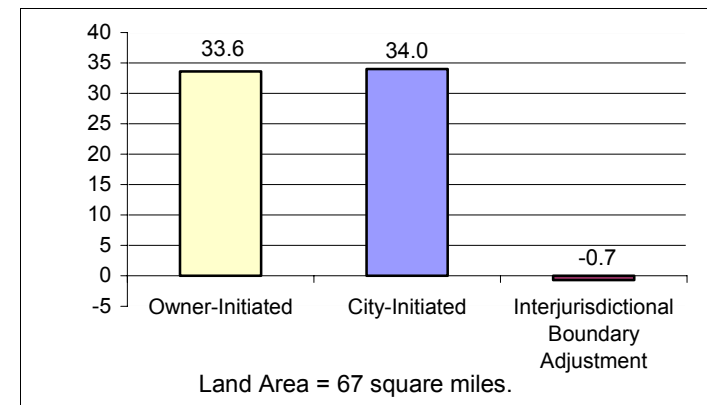
The Planning Department, in cooperation with other pertinent departments, and with guidance from the advisory committee, prepared a five-year annexation program that identifies areas to be considered for annexation during the succeeding five years. It is not a legally binding document. Inclusion of an area in the program does not obligate the City to annex that area, nor does omission of an area from the program prevent the City from annexing the area.

Number of Annexation and Disannexation Cases By Type, 1995-2005



Since 1995, the City has processed 137 annexation and disannexation cases. The majority of these cases have been initiated by the property owners. (Sources: Planning Department, Development Department, 2005.)

Land Area Associated with Annexations and Disannexations by Type, 1995-2005



Since 1995, the City has annexed approximately 67 square miles. Of the land area included in the calculations, 25.8 square miles were annexed for limited purposes. This area may be subject to future full-purpose annexation, and should not be cumulatively combined. For example, 10.4 square miles were annexed for full purposes in November 2005. (Sources: Planning Department, Development Department, 2005.)

The annexation program is incorporated into the Comprehensive Plan and updated annually. Areas are placed in the annexation program based upon criteria defined in the annexation policy and the feasibility of providing city services.

The draft 2006-2010 Annexation Program identifies 20 areas totaling 6.7 square miles to be considered for City-initiated annexation. These areas include: 13 enclaves within the City's water service area, one enclave within another water provider's service area, two limited-purpose annexation areas to be considered for full-purpose annexation, two areas with anticipated urban development, one area posing an adverse environmental impact, and one mixed-use growth center. In addition, one 281-acre area subject to potential owner-initiated annexation in 2007 is included in the draft annexation program.

The City involved property owners and community organizations from the ETJ and within the city itself in the formulation of the five-year program. City staff conducted numerous information meetings with interested local governments and affected property owners to answer questions and receive comments. The City Plan Commission and the City Council will also hold public hearings before adopting the annexation program as part of the Comprehensive Plan. The draft 2006-2010 annexation program can be found in Appendix G.

STRATEGIES

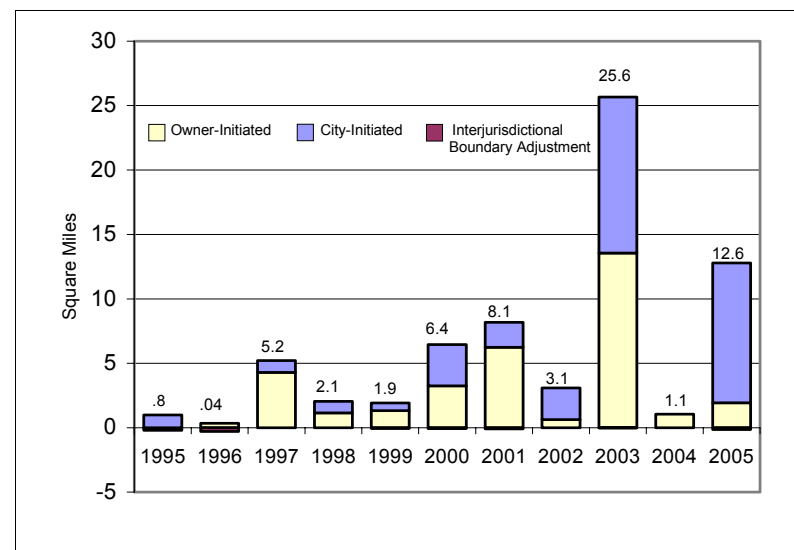
Fort Worth demonstrates how the annexation process can be administered as a positive tool for guiding development in its ETJ. Fort Worth typically annexes properties that are within three years of being developed. The strategies listed below should help the City achieve its strategic goal of promoting orderly growth.

Promote Economic Growth

Fort Worth should use annexation as a major component for the establishment of public-private sector partnerships intended to stimulate local and regional economic growth and implement sound capital improvement programming.

- The City should utilize its ETJ as a marketing and planning resource by anticipating candidate areas for annexation. Such areas would primarily consist of raw land, be accessible to public utilities provided by Fort Worth, and be within three years of being developed.
- Prior to annexation, the City should coordinate with the property owners in developing a service plan for the logical extension of infrastructure and services to the proposed development.
- Once service plan commitments have been established, the City should verify funding sources (both public and private) for implementation of the plan. Sources may include, but not be limited to, the following: special taxation districts, water and sewer impact fees, community facilities agreements, capital improvement program budgets, and other sources deemed appropriate for the specific project.

Land Area Associated with Annexations and Disannexations by Year and Type, 1995-2005



Since 1995, the City has annexed approximately 56 square miles, for both full and limited purposes. The majority of this land area was annexed in 2003. Of the land area included in the calculations, 25.8 square miles were annexed for limited purposes. This area may be subject to future full-purpose annexation, and should not be cumulatively combined. For example, 10.4 square miles were annexed for full purposes in November 2005. (Sources: Planning Department, Development Department, 2005.)

- Owner-initiated annexation of the project, along with the institution of zoning and platting requirements in accordance with the Comprehensive Plan's development principles, should commence and be completed within the time frame prescribed by Chapter 43 of the Texas Local Government Code.

Facilitate Long Range Planning

Fort Worth should use annexation to regulate development on the fringe of the city in accordance with the Comprehensive Plan.

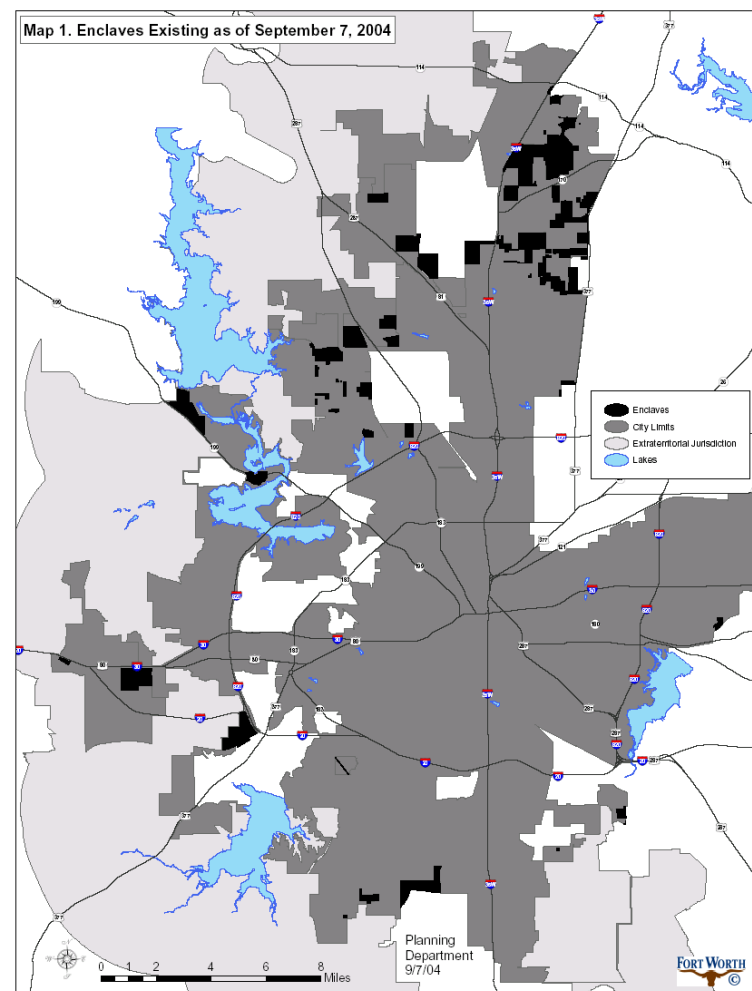
- Some annexations can be approved without being included in the annexation plan, including sparsely developed unincorporated areas with less than 100 residential tracts, industrial areas, vacant properties, and voluntary annexations.
- As unincorporated areas become more densely developed, the Comprehensive Plan should identify additional growth centers in the ETJ, which should be considered for annexation.
- The Comprehensive Plan should address linkages to future growth centers in the ETJ. Consideration should be given to the study of key thoroughfares in terms of their impact on new development patterns as they extend into the ETJ. Such thoroughfares would include, but not be limited to, the proposed alignment of SH 121 as it extends into southwest Tarrant County, the westward alignment of I-30 as it extends into Parker County, the westward alignment of SH 114 as it extends into Wise County, the proposed development of the Outer Loop as it extends from SH 170 to the north to FM 1187 to the south, and the U.S. Highway 287 corridor in the northwest portion of Tarrant County.
- As requests for water are received from persons located within the water service areas authorized by CCNs, the City will make the requested service available under terms and conditions as set forth in applicable City utility service ordinances or as otherwise ordered by the State.

Protect Future Development

Fort Worth should use annexation as a means of extending the City's land use regulations and building codes to protect future development from inadequate design and construction standards that may proliferate in unincorporated areas.

- In an effort to establish and sustain qualitative development standards for future annexation sites, the City Plan Commission should review the effectiveness of the subdivision rules and regulations in accomplishing the objectives of the Comprehensive Plan as applied to the ETJ. When the City Plan Commission finds that development proposals for an area appear to be contrary to or inconsistent with the planning objectives for that area, or that the frequency of requests indicates a need for modifications, the commission should advise the City Council of its conclusions and may file a proposal to amend the regulations applied to future development.
- Upon annexation of territory into the City of Fort Worth, the City Plan Commission should prepare a report recommending the locations and types of zoning districts to be established in the annexed area based on the Comprehensive Plan, and shall file a copy of the report with the City Council and the Zoning Commission for their evaluation at public hearings.

Enclaves Existing as of Date of Adoption of Annexation Policy



Enclaves are areas within the City's ETJ that are surrounded by the corporate limits of the City of Fort Worth and/or the corporate limits or ETJ of other municipalities or otherwise approved by Fort Worth City Council. The above map depicts the enclaves existing as of the date of adoption of the annexation policy. (Source: Planning Department, 2004.)

- Planning, zoning, building inspection, code compliance, and other enforcement jurisdictions of the City of Fort Worth may extend to annexed territories on the effective date of the annexation ordinance. Developed land uses that existed prior to annexation are grandfathered in accordance with the provisions prescribed by State statute. However, all new construction projects must conform to applicable development standards of the City.

Foster Intergovernmental Cooperation

Fort Worth should use annexation as an approach for alleviating jurisdictional conflicts with abutting municipal and county governments, and for coordinating service delivery arrangements with school districts, municipal utility districts, and emergency response providers.

The City should consider requests for boundary adjustments from adjacent municipalities where an exchange of territories of equivalent value, or an exchange for other consideration of an equivalent value, could occur between both cities. The requesting municipality should have adequate land use controls to maintain development standards equivalent to those of the City of Fort Worth. It can be anticipated that such adjustments will not be adopted if the area to be released would result in a reduction to the City of Fort Worth's revenue stream or if the area contains environmental and economic resources that are vital to Fort Worth's interests.

The City should assist school districts in planning for new educational and support facilities in annexed areas. To coordinate future school construction with land developers and school districts, the City should continue to circulate plat filings and zoning applications associated with annexation petitions.

Alliance★Texas



Annexation is important for the establishment of public-private sector partnerships, such as with Alliance★Texas, and is intended to stimulate local and regional economic growth and implement sound capital improvement programming. (Source: Alliance★Texas, 2001.)

